

Minutes of the Meeting
of the
REAL ESTATE LICENSE COMMISSION
OF THE TERRITORY OF HAWAII

December 4, 1952, at the offices of the Commission, Rooms 109 and 121,
Honolulu Armory, corner of Hotel and Miller Streets, Honolulu, T. H.

Present: Eaton H. Magoon, Chairman
John K. Akau, Jr., Member
Charles H. Kimura, Member
Stephen K. Miyagawa, Administrator

The regular meeting of the Real Estate License Commission of the Territory of Hawaii was called to order by Mr. Eaton H. Magoon, Chairman, at 9:00 a.m., at the offices of the Commission, Rooms 109 and 121, Honolulu Armory, corner of Hotel and Miller Streets, Honolulu, T. H. The reading of the minutes of the previous meeting was dispensed with. The order of business and actions taken were as follows:

ORDER OF BUSINESS

Appointment of Mr. Charles H. Kimura,
as Commission Member

The Administrator reported that the Governor's office sent proper notification in writing advising this Commission that Mr. Charles H. Kimura has been appointed as a member of the Real Estate License Commission for a term beginning November 7, 1952 to December 31, 1954 succeeding David K. Bent whose term has expired. (See notification from Governor's office)

Both Mr. Magoon and Mr. Akau congratulated Mr. Kimura upon his appointment and expressed their wholehearted willingness to cooperate and work together for the best interests of the Real Estate License Commission. Mr. Magoon reiterated his belief in home ownership. He said we must have salesmen to encourage this and they should be treated with due respect.

Approval and Adoption of Proposed
Amendments to Rules and Regulations

For the sake of the records the Governor's approval of the amendments to Rules 8 and 9 and the adoption of Rule 14 of the Rules and Regulations of the Real Estate License Commission was reported out by the Administrator, and a motion was duly made by Mr. Akau to include this approval in the Commission's minutes which was seconded by Mr. Kimura and unanimously carried. (See official publication which appeared in the Honolulu Star-Bulletin.)

Applications to Register with
Commission Fictitious Trade Names

Mr. Nane A. Aluli, licensed broker, made application to register his trade name under the title "Inter-Island Land Company." The Commission was in favor of approving this request at first; however, the Commission later rescinded their decision. It was revealed during the discussion that Mr. Aluli had put up his sign "Inter-Island Land Company" on his window before securing the approval of this Commission, and furthermore, it developed that Mr. Aluli's office will be shared with a Mr. John Shumway. The Commission had in the past frowned upon the numerous real estate activities of Mr. Shumway's, and to date he is still under the close surveillance of this office. It was moved by Mr. Akau, seconded by Mr. Kimura, and unanimously carried that this application be withheld until the Administrator has had an opportunity to investigate further into this matter.

Mr. Herbert N. Fukata, licensed broker, made application to do real estate business as "Pacific Land Trust Company." The Administrator reported that Mr. Fukata is a full time Federal Civil Service employee, and therefore feels that his request for a trade name is merely a subterfuge to cover his true identity. Upon the recommendation of the Administrator, it was moved by Mr. Akau, seconded by Mr. Kimura, and unanimously carried that the Commission defer Mr. Fukata's request until a further investigation could be conducted by the Administrator.

Reinstatement Requests

The following petitioners applied for reinstatement of their licenses:

<u>Salesmen</u>	<u>Broker</u>
1. Holt M. Magoon	1. Thomas Choy Sing Lau
2. Axel Edwin Nelson	
3. Mrs. Helen C. Simonton	
4. Virginia W. Vilmaire	
5. Gilbert W. Lee	

The Administrator reported that the above applicants for reinstatement were thoroughly investigated and had qualified as to past records as licensees. It was therefore moved by Mr. Akau, seconded by Mr. Kimura, and unanimously carried that the applicants be reinstated.

At this time, Mr. Magoon, Chairman, brought up the matter of introducing to the next legislature an amendment requiring licensees who forfeited their licenses and who failed to renew over a year be required to take another written real estate examination. The recommendation was moved by Mr. Akau, seconded by Mr. Kimura, and unanimously carried.

Mrs. Jeannette Summers,
Salesman Applicant

Mrs. Summers took a salesman's examination on May 31, 1952 and was one on the borderline grade. Since she was unable to take the oral examination as scheduled because she was absent from the Territory, the Administrator was unable to give her an oral examination until November 24, 1952. The Administrator reported that she has qualified and recommended the granting of a license to her. The Commission unanimously approved the recommendation.

Branch Office of A. D. Castro & Co., Ltd.
Located in Kailua, Oahu

The Administrator reported that the opening of a branch office in Kailua, Oahu, by A. D. Castro & Co., Ltd. was approved temporarily on October 16, 1952 pending the official approval of the Commission. Mr. J. Bruce Vesey, licensed broker, was appointed broker-in-charge of this branch office. Upon the recommendation of the Administrator that the records show that this branch office has met the necessary requirements and therefore approval be granted to maintain a branch office, Mr. Akau made a motion to approve the action. Mr. Kimura seconded the motion, and it was unanimously carried.

Coming Real Estate Examinations

From the applications filed with the Commission, it seems that approximately 114 applicants will be taking the coming real estate examinations on December 20, 1952. The breakdown shows 24 broker applicants and 90 salesmen applicants.

Mr. Magoon moved, seconded by Mr. Akau, and unanimously carried that Miss Ikeda be permitted to go to Hilo to give the examinations on the Island of Hawaii. She will be allowed to leave here on the 19th and stay over the Christmas holiday. It was also moved unanimously that the Administrator be permitted to give the examinations on the Island of Kauai on the same day.

Financial Report of the Commission

The office expenditures for the month of October amounted to \$1,445.48. Mr. Kimura moved, seconded by Mr. Akau, and unanimously carried that the above expenditures be approved for payment by the Commission. The total receipts for November 1952 amounted to \$3,202.20, leaving a cash balance of \$12,801.30 as of November 30, 1952.

Requisition for Office Equipment

Approval was requested to purchase two stenographer's chairs, a filing cabinet, and a safety vault. It was moved by Mr. Akau, seconded by Mr. Kimura

and unanimously carried that the Commission purchase the required equipment; however, regarding the safety vault, it was suggested that the Commission purchase a second hand one costing around \$50.00.

Destroying of Old Records and License Stubs

The Administrator reported to the Commission that there were many old records of renewal statements and license stubs around the office which take up too much space. Upon clearing with the Field Auditor's office, they informed this office that any record over two years may be destroyed. Mr. Magoon instructed the Administrator to get this order in writing from that office for our future protection.

Complaints and Minor Violations

1. Case of Glen Godfrey, broker - The Administrator reported to the Commission that Mr. Glen Godfrey left the Territory without properly notifying this office and had a salesman in charge of the office in violation of Rules 6, 11, and 13 of the rules and regulations of the Real Estate License Commission. Mr. Godfrey has failed to reply to our letter of November 5, 1952 advising him of his violation. After a thorough review of his case, Mr. Akau moved, seconded by Mr. Kimura, and unanimously carried that Mr. Godfrey's broker's license be suspended for violation of the above-cited rules and regulations.

2. Case of John Shumway - Mr. Lawrence P. Medeiros, licensed real estate broker, came in to lodge a verbal complaint before the Commission against a Mr. John Shumway. Mr. Medeiros related that on or about September 22, 1952, he received a call from one Albert Sabado of 2211 California Avenue, Wahiawa, inquiring about the price of a certain piece of property located at California lane, Wahiawa. When informed, Mr. Sabado agreed to go to Mr. Medeiros' office between 3:00 and 3:30 o'clock to make a deposit. He agreed on the full price of \$4,200.00. Mr. Medeiros had asked Mr. Sabado the location of the real estate office, and he said he knew where it was located. Mr. Sabado failed to show up that day. It later was revealed that Mr. Sabado wandered into the wrong office and made a deposit of \$50.00 with Mr. Shumway whose office is next to Mr. Medeiros'. Mr. Medeiros also reported that Mr. Shumway took a razor and crossed out the words "Inter-Island Land Company" and left the word "broker" on his display window when actually he is not a licensed broker.

Evidences show that Mr. Shumway may be in possible violation of Section 7736, Chapter 150, Revised Laws of Hawaii, as amended. However, the Commission felt that positive proof cannot be established unless the receipt could be shown in evidence. Upon ascertaining this point, this matter could be referred to the Prosecutor's office for their action.

The Administrator was advised to check further into the case and to contact Mr. Albert Sabado at Wahiawa.

3. Request by Walter N. Clark, broker
to Investigate George Hall

After reviewing the attached Administrator's report regarding a George Hall, it was suggested that this office clear first with the Real Estate Commissioner of Arizona before referring this matter to the Police Department.

4. Case of Hannah D. Alicata, broker

The Administrator reported of the alleged violation by Mrs. Hannah D. Alicata of Rule 8, rules and regulations of this Commission. See attached report. It was moved by Mr. Kimura, seconded by Mr. Akau, and unanimously carried that a strong letter of reprimand be sent to Mrs. Alicata and instruct her that similar violation will mean either the suspension or revocation of her license.

5. Case of Seichi Isa vs. Thomas Miyashiro, broker

The Administrator reported that an investigation of this complaint revealed no violation of our statutes and therefore recommended that the matter be closed. This action was unanimously approved by the Commission.

Christmas Party

Plans for the Christmas party which is traditionally held annually by this Commission were brought up for discussion. The date for holding this gathering on December 23, 1952 in the Commission office was unanimously approved. Each person will be assessed \$1.25 to defray the food and other costs. The Commission feels this is an excellent medium for fostering better public relations with our licensees.

Charles Ford & Associates of the West, Inc.

The Administrator reported that an amended brokerage application under the title CHARLES FORD & ASSOCIATES OF THE WEST, INC., was filed with the Commission, naming Mr. Gerald A. O'Rouark as the principal broker. A brokerage application was formerly filed with the Commission under the title CHARLES FORD & ASSOCIATES, INC., which was denied on the grounds that the articles of corporation filed at the Treasurer's Office did not authorize it to conduct real estate business in the Territory of Hawaii.

Mr. James K. William of the Treasurer's office upon request by the Commission appeared at the meeting to present for review the incorporation papers filed by the Charles Ford & Associates of the West, Inc., with the Treasurer of the Territory of Hawaii. For future reference and to allow the members more time to study this situation, it was decided that a photostat copy of the by laws and the articles of the Charles Ford & Associates of the West, Inc., be obtained.

At this time, Mr. Magoon, Chairman, explained of the contact he had with representatives of the Charles Ford & Associates, Inc., while in attendance at the National Association of License Law Officials' convention in Miami Beach, Florida. At an evening session of the License convention, Mr. Charles C. Solk, President of Charles Ford & Associates, Inc., somehow sought him out and attempted to find out why this Commission would not issue a brokerage license to the Territorial representative of the Charles Ford & Associates, Inc. Mr. Magoon politely and firmly refused to go into detail in any sort of discussion and told the representatives of Ford Associates that he was not interested in "drinking" and the time and place were not conducive to a discussion of such matters. Mrs. Solk was also present at the time of the meeting. Then the following day at the Saxony Hotel in Miami, Mr. Solk contacted Mr. Magoon again and tried to discuss this matter. Mr. Magoon reiterated the stand taken the previous evening and advised him that the convention was not an appropriate place to discuss such matters, that he was too busy at the time, and that the proper thing for him to do would be to write a letter addressed to the Real Estate License Commission of the Territory of Hawaii.

After a lengthy discussion as to whether or not Charles Ford & Associates of the West, Inc., should be granted a brokerage license, the members unanimously agreed that this application be withheld for further review and study by the office of the Attorney General and by Mr. Charles Kimura, newly appointed member. The Administrator was instructed to write to Mr. G. A. O'Rouark, advising him that the final decision on the application of the Charles Ford & Associates of the West, Inc., will be continued until such a time as Mr. Kimura, who was only recently appointed as a Commission member, has had an opportunity to familiarize himself with the case.

NALLO Convention Report

The National Association of License Law Officials held its annual convention for 1953 at Miami Beach, Florida, from November 6 to 8, 1952. Mr. Magoon and Mr. Akau, Commission members, attended the convention upon the approval of the Governor of Hawaii to represent the Territorial License Commission.

In his convention report, Mr. Magoon stated that he and Mr. Akau were given a very warm reception by the other License Commissioners from the various states in the nation. The members in attendance as a whole were a serious group of people whose sole purpose it seemed was to get the most out of the many subjects discussed at the meetings. All the subjects taken up for discussion were very beneficial as well as educational. The matter of Charles Ford & Associates was discussed and Mr. Magoon gathered from the people present that they were not in favor of this organization.

Mr. Magoon reported that he had an opportunity to engage in a long conversation with Mr. D. D. Watson, Commissioner of the California License Commission. Mr. Watson is believed to be one of the leading authorities

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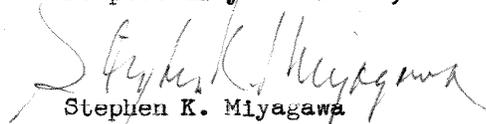
on license laws. Our license law problems and other pertinent matters were discussed with Mr. Watson, and he suggested that our Administrator be sent to California with expenses paid by this Commission to benefit from a study of their office procedures, administrative policies, and real estate laws of California.

Mr. Magoon expressed his desire that Mr. Kimura would be allowed to attend the convention next year.

Mr. Akau reported that the convention was very well conducted and well attended. He had the great pleasure of meeting Mr. Robert W. Semenow, Secretary-Treasurer of the National Association of License Law Officials, and many other outstanding men. Mr. Akau was surprised to learn that there was such a great difference in salaries paid to commissioners from various license law states. It was also interesting to note that the Southern states do not operate like California. There was some discussion on bonds for salesmen and brokers.

Mr. Akau commended on the fine lecture Mr. Magoon gave at the convention. His talk was very well received by the audience. Of course, Mr. Magoon talked mostly on Hawaii.

Respectfully submitted,


Stephen K. Miyagawa
Administrator

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